

Effective 5/10/2016

26-18-405 Waivers to maximize replacement of fee-for-service delivery model -- Cost of mandated program changes.

- (1) The department shall develop a waiver program in the Medicaid program to replace the fee-for-service delivery model with one or more risk-based delivery models.
- (2) The waiver program shall:
 - (a) restructure the program's provider payment provisions to reward health care providers for delivering the most appropriate services at the lowest cost and in ways that, compared to services delivered before implementation of the waiver program, maintain or improve recipient health status;
 - (b) restructure the program's cost sharing provisions and other incentives to reward recipients for personal efforts to:
 - (i) maintain or improve their health status; and
 - (ii) use providers that deliver the most appropriate services at the lowest cost;
 - (c) identify the evidence-based practices and measures, risk adjustment methodologies, payment systems, funding sources, and other mechanisms necessary to reward providers for delivering the most appropriate services at the lowest cost, including mechanisms that:
 - (i) pay providers for packages of services delivered over entire episodes of illness rather than for individual services delivered during each patient encounter; and
 - (ii) reward providers for delivering services that make the most positive contribution to a recipient's health status;
 - (d) limit total annual per-patient-per-month expenditures for services delivered through fee-for-service arrangements to total annual per-patient-per-month expenditures for services delivered through risk-based arrangements covering similar recipient populations and services; and
 - (e) except as provided in Subsection (4), limit the rate of growth in per-patient-per-month General Fund expenditures for the program to the rate of growth in General Fund expenditures for all other programs, when the rate of growth in the General Fund expenditures for all other programs is greater than zero.
- (3) To the extent possible, the department shall operate the waiver program with the input of stakeholder groups representing those who will be affected by the waiver program.
- (4)
 - (a) For purposes of this Subsection (4), "mandated program change" shall be determined by the department in consultation with the Medicaid accountable care organizations, and may include a change to the state Medicaid program that is required by state or federal law, state or federal guidance, policy, or the state Medicaid plan.
 - (b) A mandated program change shall be included in the base budget for the Medicaid program for the fiscal year in which the Medicaid program adopted the mandated program change.
 - (c) The mandated program change is not subject to the limit on the rate of growth in per-patient-per-month General Fund expenditures for the program established in Subsection (2)(e), until the fiscal year following the fiscal year in which the Medicaid program adopted the mandated program change.

Amended by Chapter 168, 2016 General Session

Amended by Chapter 222, 2016 General Session

Amended by Chapter 394, 2016 General Session